



OFFICE OF THE COMMISSIONER

# STATE OF MINNESOTA

DEPARTMENT OF COMMERCE

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## BULLETIN 91-7

Issued this 8th day  
of November, 1991

TO: ALL COMPANIES WRITING CROP HAIL INSURANCE IN MINNESOTA.

For the past few years insurers have not been required to file cash discounts with crop hail rate filings. Effective with the 1992 crop hail rate filings, cash discounts, since they are part of the rate, must be included with your rate filing. The cash discount may be as high as six (6) percent if the premiums are paid in full on or before July 1st of the crop year, unless a company can actuarially justify a higher discount.

The 1992 filings must contain data to justify rates, including the cash discount. The data shall include loss experience, an expense breakdown and a return on investment analysis for each of the past five years. Also, the percentage of insureds who qualified for a cash discount in 1991 must be included.

As a reminder, Minnesota Statute 70A.06, Subd. 5 requires that the rates must be filed thirty (30) days prior to their effective date, and Minnesota Statute 60A.32 requires that the rate filing must be filed prior to April 1st of each year. If you fail to meet these deadlines, you will be required to write crop hail for the 1992 season with the 1991 filed rates.

Questions regarding this bulletin should be directed to William R. Kyle, Supervisor of Property/Casualty Analysts, 612-296-2656.

  
BERT J. MCKASY, Commissioner